

**LOS ANGELES COUNTY
METROPOLITAN
TRANSPORTATION AUTHORITY**

**PUBLIC PRIVATE
PARTNERSHIP
OPPORTUNITIES IN LOS
ANGELES
METRO'S PUBLIC-PRIVATE
PARTNERSHIP PROGRAM**

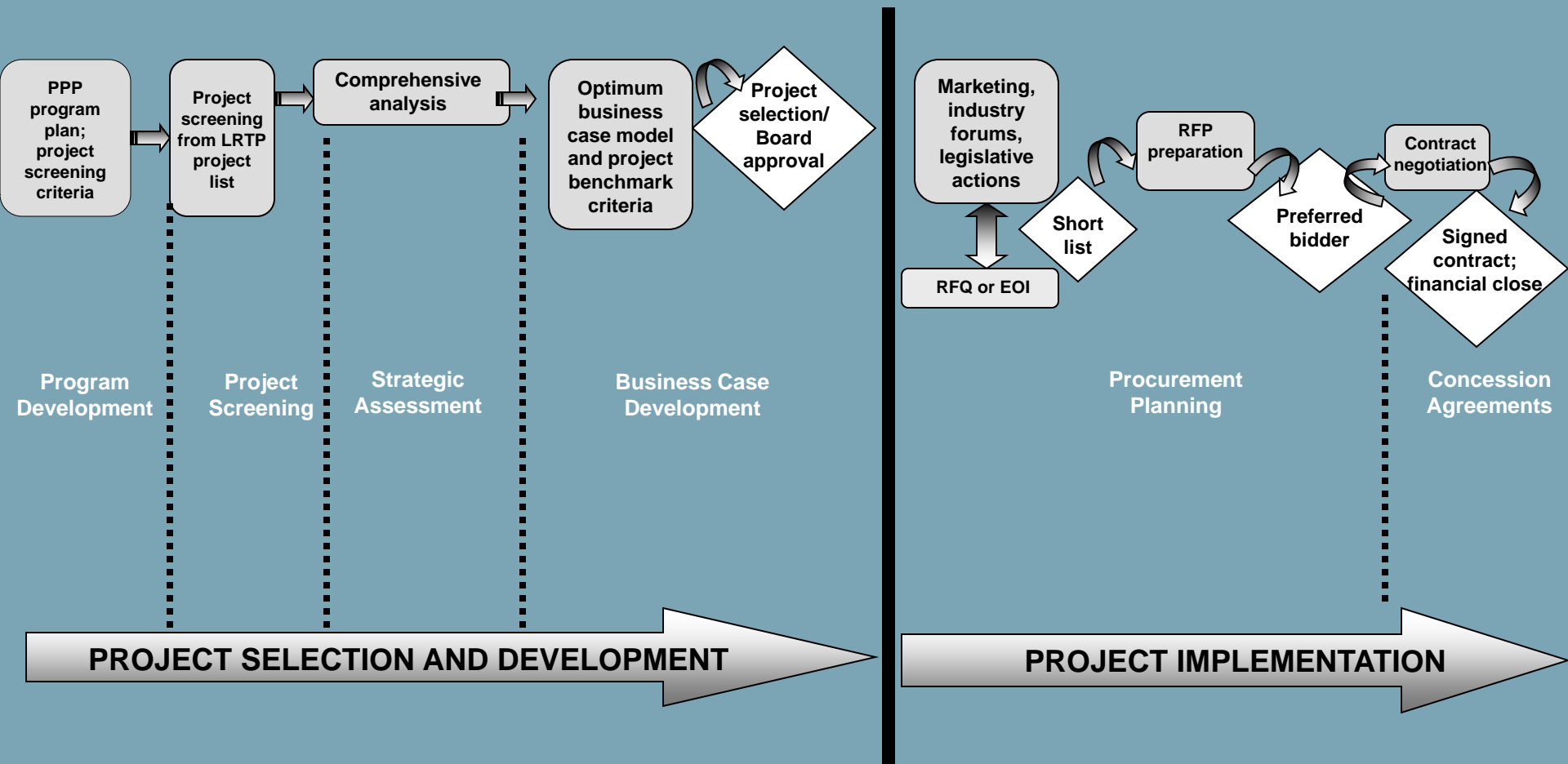
May 11, 2011

PUBLIC-PRIVATE PARTNERSHIPS: FOCUS ON LIFE-CYCLE COSTS AND REVENUES

- **ACHIEVE ACCELERATED PROJECT DELIVERY**
 - PROJECT ACTIVITIES IN "PARALLEL"
- **INSURE PROJECT QUALITY THROUGHOUT LIFE CYCLE**
 - PRIVATE FINANCIAL PARTICIPATION ("SKIN IN THE GAME")
- **ALLOCATE/REDUCE RISKS**
 - ELIMINATE/LESSEN RISK OF PROJECT COST OVERRUNS/CHANGE ORDERS
 - REDUCE PUBLIC SECTOR RISKS BY STRENGTHENING PROJECT INTERFACES
- **ACHIEVE COST SAVINGS**
 - OPERATIONS - PERFORMANCE-RELATED CONCESSIONS AND SYSTEM AVAILABILITY-BASED CONTRACTING
 - CAPITAL - DESIGN AND CONSTRUCTION EFFICIENCIES
- **ENHANCE CASH FLOWS**
 - PRIVATE FINANCING MECHANISMS
 - LEVERAGE MEASURE R REVENUES AND OTHER PUBLIC FUNDING SOURCES
- **UTILIZE NEW FUNDING SOURCES**
 - VALUE CREATION AND USER REVENUE STREAMS

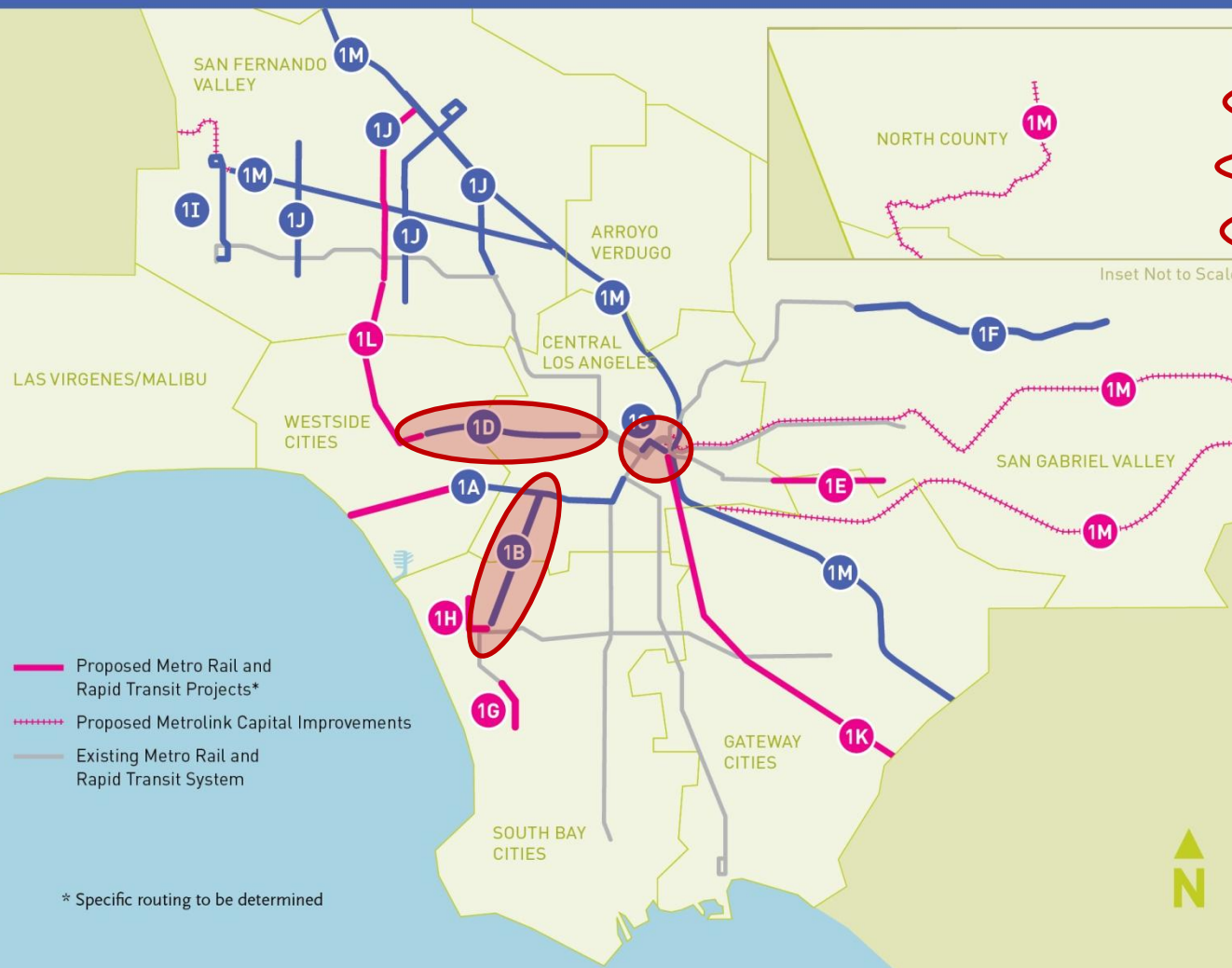


PUBLIC-PRIVATE PARTNERSHIP PROGRAM: PROGRAMMATIC APPROACH TO PROJECT DELIVERY




MEASURE R TRANSIT PROJECTS

MEASURE R Proposed Rail and Rapid Transit Expansion



Project Name

- 1A Exposition Boulevard Light Rail Transit*
- 1B Crenshaw Transit Corridor (project acceleration)*
- 1C Regional Connector: Links Local Rail Lines*
- 1D Westside Subway Extension* (to be opened in segments)
- 1E Gold Line Eastside Extension*
- 1F Gold Line Foothill Light Rail Transit Extension
- 1G Green Line Extension: Redondo Beach Station to South Bay Corridor*
- 1H Green Line Extension to Los Angeles International Airport*
- 1I San Fernando Valley North-South Rapidways: Canoga Corridor (project acceleration)*
- 1J San Fernando Valley East North-South Rapidways (project acceleration)*
- 1K West Santa Ana Branch Corridor*
- 1L San Fernando Valley I-405 Corridor Connection*
- 1M Metrolink Capital Improvement Projects (Los Angeles County)

 Projects under study for alternative project delivery are circled in red.

MEASURE R HIGHWAY PROJECTS

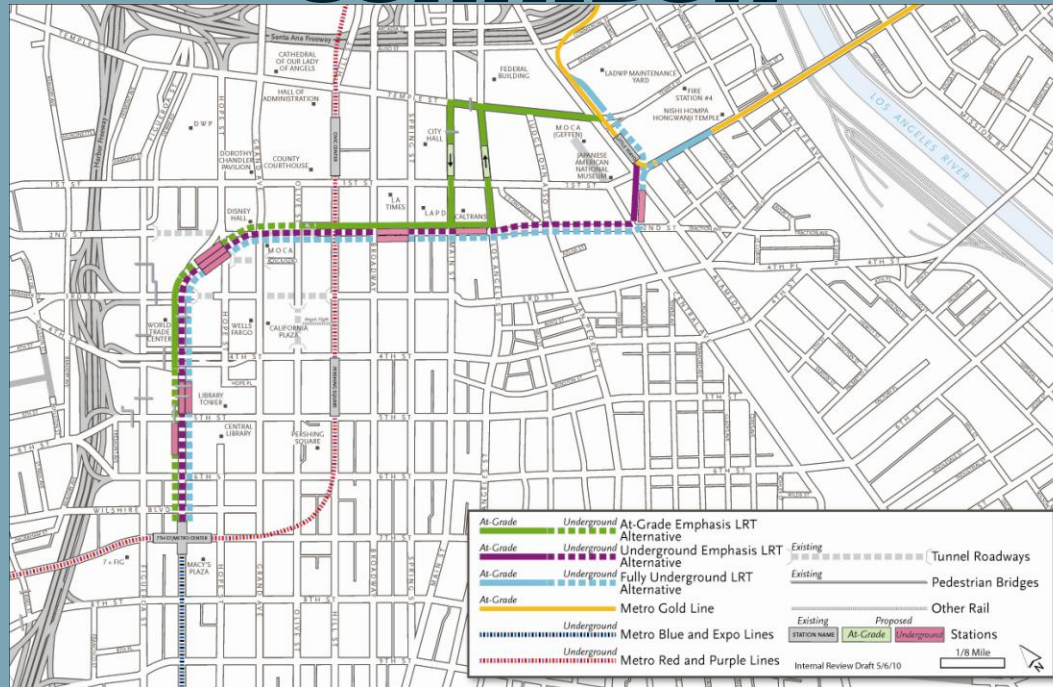
MEASURE R Proposed Highway Improvements



Project Name

- 3A** I-5 Capacity Enhancement: SR-134 to SR-170
 - 3B** I-5 Capacity Enhancement: I-605 to Orange County Line
 - 3C** I-5/Carmenita Rd Interchange Improvement
 - 3D** I-5/SR-14 Capacity Enhancement
 - 3E** I-405, I-110, I-105 and SR-91 Ramp and Interchange Improvements: South Bay
 - 3F** I-5 North Capacity Enhancements: SR-14 to Kern County Line (Truck Lanes)
 - 3G** I-710 South and/or Early Action Projects
 - 3H** SR-138 Capacity Enhancements
 - 3I** High Desert Corridor (environmental)
 - 3J** I-605 Corridor "Hot Spot" Interchanges
 - 3K** Highway Operational Improvements in Arroyo Verdugo Subregion
 - 3L** Highway Operational Improvements in Las Virgenes and Malibu Subregion
 - 3M** SR-710 North Gap Closure*
 - 5C** BNSF Grade Separations
 - 5D** Alameda Corridor East Grade Separations Phase II
- Projects under study for alternative project delivery are circled in red.

REGIONAL CONNECTOR TRANSIT CORRIDOR



- **1.8 MILES OF LIGHT RAIL CONNECTING REGIONAL COMMUTER RAIL, AMTRAK AND LIGHT RAIL AND SUBWAY LINES IN DOWNTOWN LA**
- **ONE OF TWO PROJECTS SEEKING FEDERAL “NEW STARTS” FUNDS**
- **ENVIRONMENTAL COMPLETE FALL 2011**
- **SCHEDULED TO OPEN 2019**
- **MEASURE R: \$160 MILLION**



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REGIONAL CONNECTOR - INITIAL P3 ANALYSIS

- **DBFM**
- **RESPONSIBILITY OF P3 PARTNER:**
 - CAPITAL COSTS
 - FACILITIES MAINTENANCE
 - FINANCING
- **METRO RETAINS RESPONSIBILITIES FOR THE PROVISION AND COST OF VEHICLE OPERATIONS AND MAINTENANCE**
- **COST COVERAGE:**
 - MEASURE R FUNDING DURING CONSTRUCTION
 - ANNUAL AVAILABILITY PAYMENTS COMMENCING AFTER STARTUP OF REVENUE OPERATION
- **FUNDING:**
 - MEASURE R FUNDING IS INSUFFICIENT FOR COST OF CAPITAL DEVELOPMENT UNDER ANY DELIVERY OPTION
 - OTHER FUNDING SOURCES DO NOT MEET ACCELERATED DELIVERY SCHEDULE NEEDS
 - IN FTA NEW STARTS PIPELINE
- **P3 OPTION:**
 - PROVIDES NEEDED UPFRONT CAPITAL
 - COULD ATTRACT SOME PRIVATE INVESTMENT, ALLOWING OTHER PUBLIC FUNDING SOURCES TO BE RECEIVED INCREMENTALLY OVER THE PROJECT LIFE-CYCLE



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WESTSIDE SUBWAY EXTENSION



- **8.5 MILES OF HEAVY RAIL SUBWAY EXTENDING METRO RAIL'S PURPLE LINE**
- **ONE OF TWO PROJECTS SEEKING FEDERAL "NEW STARTS" FUNDS**
- **ENVIRONMENTAL COMPLETE FALL 2011**
- **FIRST PHASE TO OPEN 2019**
- **MEASURE R: \$4.2 BILLION**



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WESTSIDE SUBWAY EXTENSION - INITIAL P3 ANALYSIS

- **RESPONSIBILITY OF P3 PARTNER:**

- FINAL DESIGN
- CONSTRUCTION
- LONG-TERM FACILITIES MAINTENANCE
- FINANCE

- **METRO RETAINS RESPONSIBILITIES FOR THE PROVISION AND COST OF VEHICLE OPERATIONS AND MAINTENANCE**

- **COST COVERAGE:**

- MEASURE R FUNDING DURING CONSTRUCTION
- ANNUAL AVAILABILITY PAYMENTS COMMENCING UPON INITIATION OF REVENUE SERVICE

- **FUNDING:**

- MEASURE R FUNDING IS INSUFFICIENT FOR COST OF CAPITAL DEVELOPMENT UNDER ANY DELIVERY OPTION
- IN FTA NEW STARTS PIPELINE

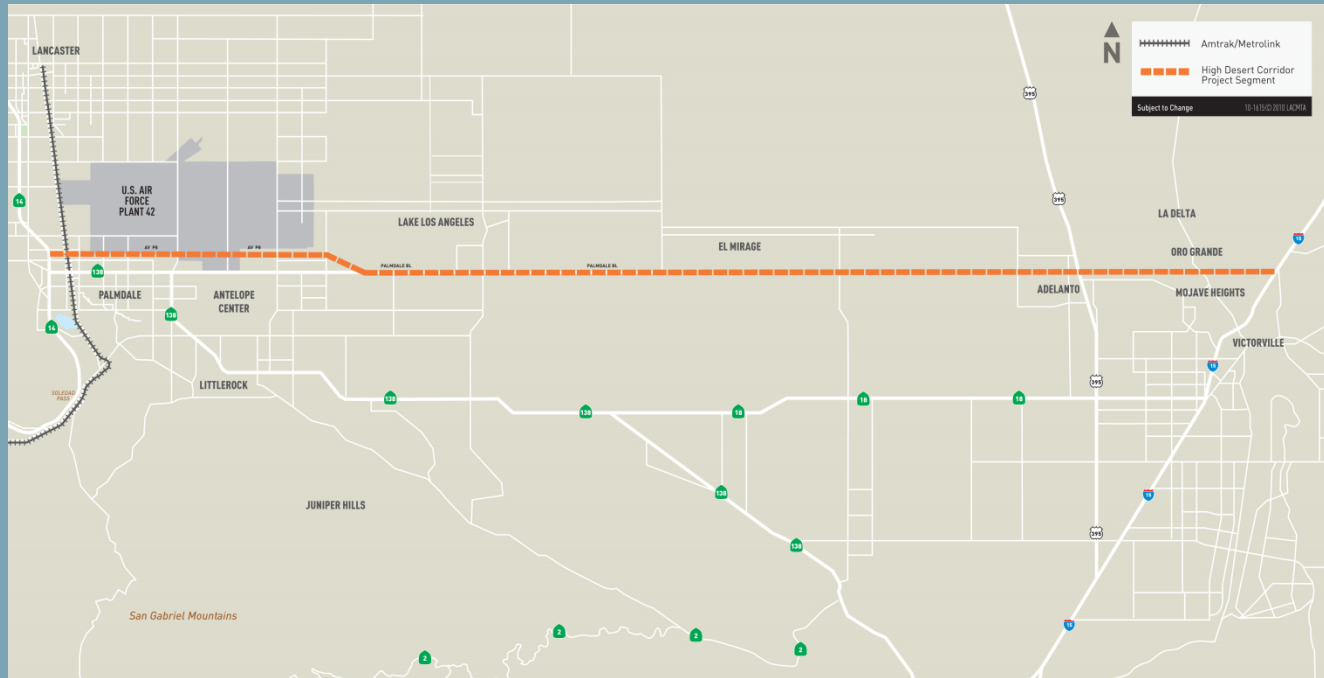
- **P3 OPTION:**

- LOWER TOTAL PRESENT VALUE (LIFE-CYCLE) DUE TO DELIVERY & LONG-TERM MAINTENANCE EFFICIENCIES
- COULD REDUCE UPFRONT MEASURE R RESOURCES REQUIREMENT DURING CONSTRUCTION
- AMOUNT OF PUBLIC FUNDING REQUIRED TO CONSTRUCT PROJECT IN THE NEAR-TERM WOULD BE SIGNIFICANTLY LESS
- ACCELERATE SCHEDULE BY ONE YEAR



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HIGH DESERT CORRIDOR



- 63-MILE EAST WEST CORRIDOR FROM SR-14 TO I-15
- FREEWAY/EXPRESSWAY/POSSIBLE TRUCK TOLL FACILITY
- BOARD APPROVED PARTNERSHIP AGREEMENT, APRIL 2010
- CALTRANS LEAD FOR ENVIRONMENTAL CLEARANCE, SCHEDULED SPRING 2013
- MEASURE R: \$22 MILLION (ENVIRONMENTAL)



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HIGH DESERT CORRIDOR - INITIAL P3 ANALYSIS

- **DELIVERY:**

- DBFOM CENTRAL SEGMENT (31 MILES)
- DB EAST AND WEST SEGMENTS
- OPTIONAL APPLE VALLEY SEGMENT

- **BENEFITS OF P3 OPTION:**

- COULD ACCELERATE COMPLETION OF HDC FROM SR-14 TO I-15 BY 4 YEARS
- COULD CUT IN HALF THE NEED FOR PUBLIC FUNDING OF CAPITAL COSTS

- **FUNDING:**

- FUNDING IS INSUFFICIENT FOR COST OF CAPITAL DEVELOPMENT UNDER ANY DELIVERY OPTION
- IF PUBLIC FUNDING IS AVAILABLE FOR EAST AND WEST SEGMENTS, THEN CENTRAL SEGMENT AS P3 IS FEASIBLE

- **STATUS:**

- EIR/S IS UNDERWAY BY CALTRANS (INCLUDING ALL FOUR SEGMENTS, TOLLWAY ALTERNATIVES AND POSSIBLE ROW FOR FUTURE HIGH SPEED RAIL).
- TECHNICAL STUDIES - FALL 2011 (INCLUDING SEVERAL PREVIOUSLY COMPLETED STUDIES)

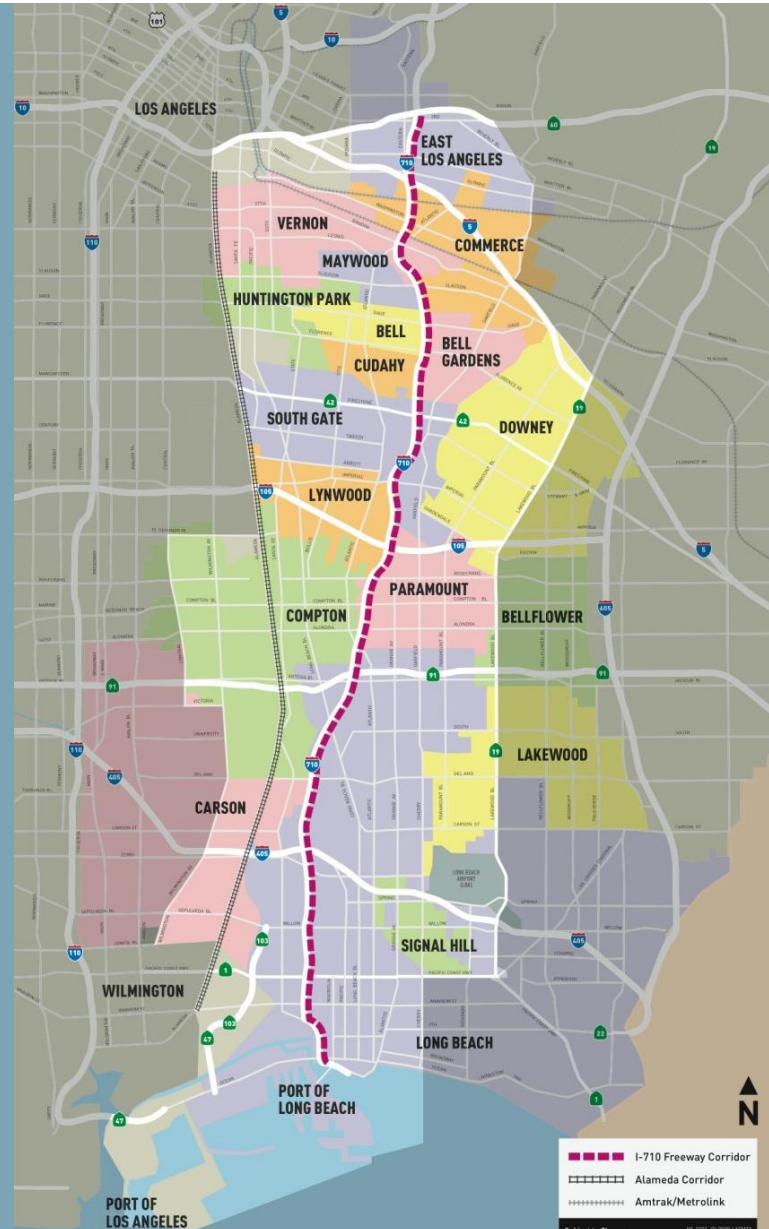


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I-710 SOUTH CORRIDOR

- **IMPROVEMENT OF 18 MILES OF FREEWAY:**
 - **FREEWAY WIDENING TO 10 LANES**
 - **CONSTRUCTION OF 4-LANE EXCLUSIVE TOLLED FREIGHT TRUCK CORRIDOR (16 MILES)**
 - **IMPROVEMENT OF MOST EXISTING INTERCHANGES**
- **CONNECTS PORTS OF LA AND LONG BEACH WITH RAIL DISTRIBUTION CENTERS**
- **ENVIRONMENTAL COMPLETE IN FALL 2012**

M **MEASURE R: \$590 MILLION**
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I-710 SOUTH CORRIDOR - INITIAL P3 ANALYSIS

- **PHASED DELIVERY:**

- P3 FREIGHT CORRIDOR AS A TOLLED "TRUCKWAY"
- EARLY ACTION INTERCHANGE PROJECTS CONTINUE AS PLANNED
- FREEWAY WIDENING AND OTHER INTERCHANGE IMPROVEMENTS WOULD BE CONSTRUCTED AFTERWARD AS FUNDS BECOME AVAILABLE

- **FUNDING:**

- FUNDING IS INSUFFICIENT FOR COST OF CAPITAL DEVELOPMENT
- \$2.5 BILLION OF PUBLIC FUNDS NEEDED "UP FRONT" TO ADVANCE THE FREIGHT CORRIDOR THROUGH RIGHT-OF-WAY ACQUISITION AND

- **P3 OPTION:**

- DBFOM FREIGHT CORRIDOR
- 50-YEAR CONCESSION
- TRUCK TOLLS DIFFERENT FOR PEAK/OFF PEAK
- REDUCED TOLL INCENTIVES FOR LOW-EMISSION TRUCKS

- **P3 BENEFITS:**

- ACHIEVES MUCH EARLIER TRAFFIC RELIEF BY SHIFTING TRUCKS ONTO THE FREIGHT CORRIDOR (2021)
- TOLLING REVENUE PLUS PRIVATE FINANCING COULD COVER MORE THAN 80% OF THE TRUCKWAY FREIGHT CORRIDOR COSTS
- REPRESENTS A NEUTRAL "VALUE FOR MONEY"



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SR 710 NORTH GAP

- EXTENSION OF EXISTING LONG BEACH FREEWAY TO I-210
- PROPOSED TUNNEL FOR SIGNIFICANT PORTION OF ALIGNMENT
- SCOPING FOR EIR/EIS COMPLETE APRIL 2011
- MEASURE R: \$1 BILLION



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SR 710 NORTH GAP - INITIAL P3 ANALYSIS

• PROJECT ASSUMPTIONS:

- DBFOM**
- TWIN 57' DIAMETER DEEP BORE TUNNELS**
- APPROXIMATELY 21,000' ALIGNMENT**
- NO INTERMEDIATE INTERCHANGES**
- 4 LANES IN EACH DIRECTION**
- TBM ADVANCE RATE OF 60'/DAY**
- PHASED CONSTRUCTION & OPENING OF TUNNEL BORES**

• SCHEDULE:

- ROD - 2014**
- COMPLETION - 2022**

• FUNDING:

- FUNDING IS INSUFFICIENT FOR COST OF CAPITAL DEVELOPMENT UNDER A NOMINAL DELIVERY OPTION**
- TOLLING AND P3 DELIVERY APPEAR TO PROVIDE ADEQUATE FUNDING**
- PHASED OPENING OF TOLLED TUNNELS INCREASES FINANCIAL ROBUSTNESS**

• P3 BENEFITS:

- OVER 110 RISK FACTORS ALLOCATED**
- COULD ACCELERATE COMPLETION BY 4 YEARS**
- REPRESENTS A POTENTIALLY POSITIVE "VALUE FOR MONEY"**

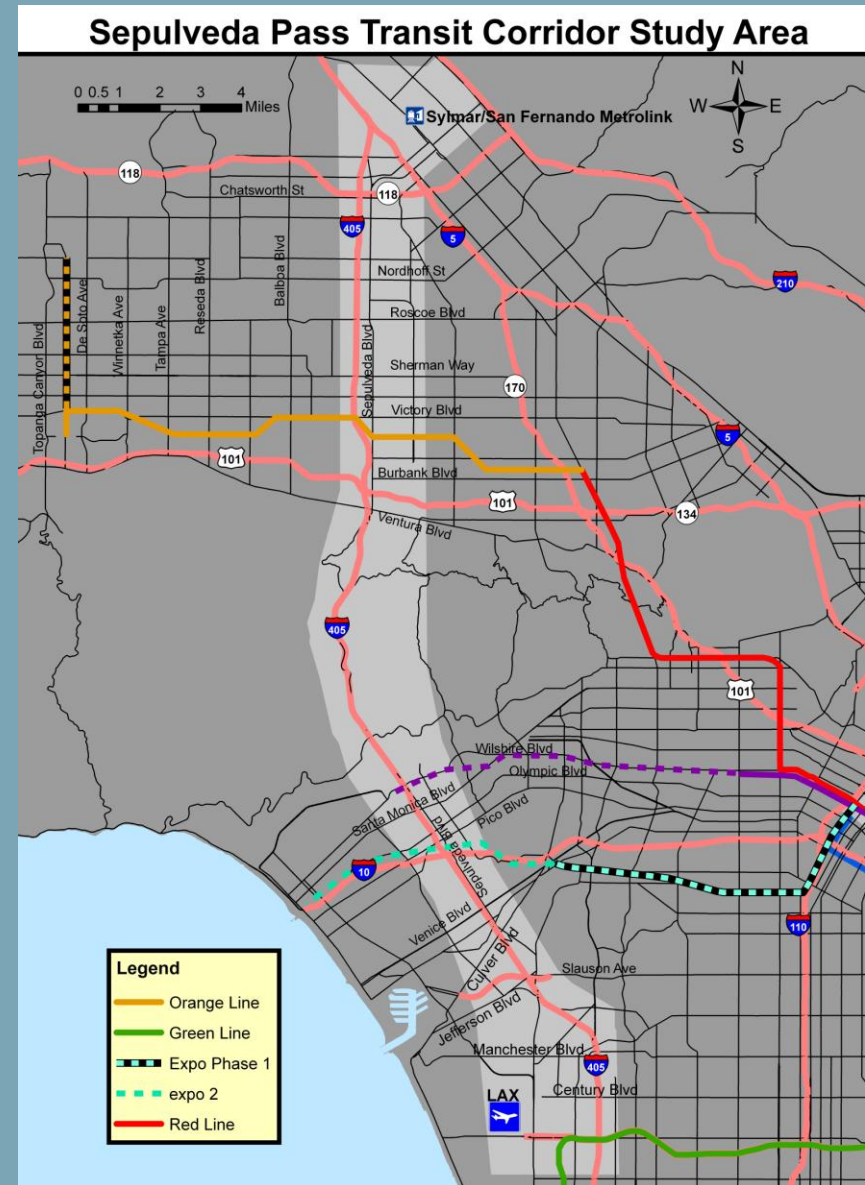


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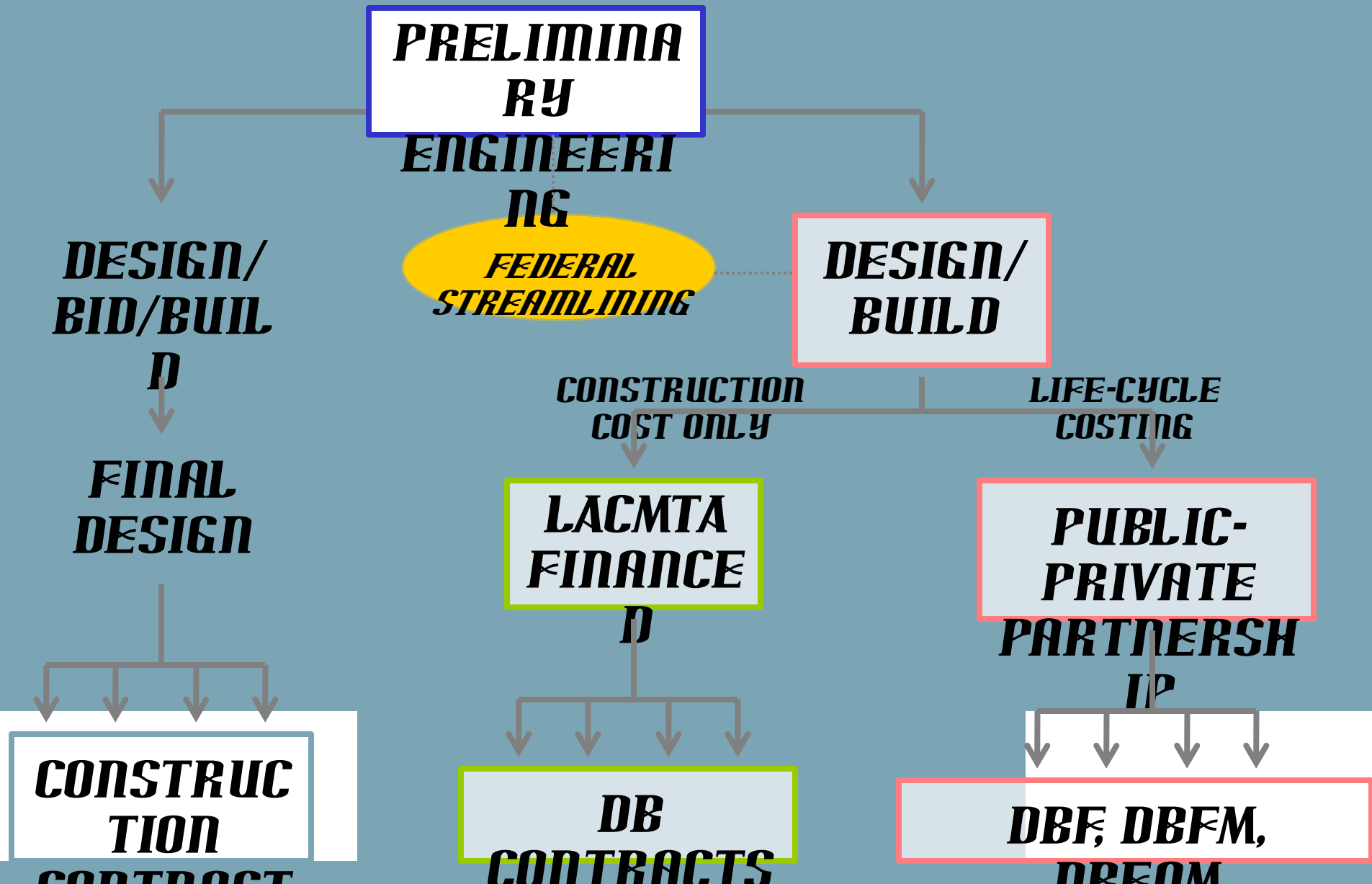
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SEPULVEDA PASS TRANSIT CORRIDOR

- **TRANSIT/HIGHWAY CONNECTION BETWEEN THE SAN FERNANDO VALLEY AND WESTSIDE**
 - **PREPARING PRIVATE SECTOR REQUEST FOR INFORMATION/ QUALIFICATIONS TO FOCUS ENVIRONMENTAL**
- MEASURE R: \$1.0 BILLION (2008\$)**



PROJECT DELIVERY DETERMINATION



NEXT STEPS

- ***CONDUCT INDUSTRY REVIEW AND OUTREACH***
- ***WORK WITH DESIGN TEAMS TO FACILITATE DEVELOPMENT OF PROJECT DELIVERY***
- ***COORDINATE WITH USDOT AND ADMINISTRATORS TO ENCOURAGE PROJECT STREAMLINING OPTIONS I.E., “SEP-15” (FHWA) AND “PENTA-P” (FTA)***
- ***COORDINATE WITH STATE AGENCIES INVOLVED IN SB 4 REVIEW***
- ***DEVELOP PROCUREMENT AND CONCESSION PLANNING PROCESSES AND MATERIALS***
- ***COMPLETE BUSINESS PLANS BY EARLY FALL***

